

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
Government Affairs

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WASHINGTON, D.C. 20002-2000
202/463-5310

October 27, 2003

The Honorable Bill Thomas
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Thomas:

On behalf of the U.S. Chamber of Commerce, the world's largest business federation representing over three million businesses of every size, sector and region, I write to express our support for H.R. 2896, the *American Jobs Creation Act of 2003*.

We commend you for your leadership in crafting this legislation and balancing competing interests of U.S. exporters and U.S. multinationals. In particular, provisions to address the burdens on domestic manufacturing and production activities; cut marginal corporate income tax rates; provide corporate AMT relief; reform foreign tax credit computations; repeal foreign personal holding company, foreign investment company, and foreign shipping income rules; and introduce new "look-through" rules for active foreign income will enhance U.S. competitiveness and promote economic growth.

At the same time, we remain concerned about certain "revenue raisers" that are presently contained in the bill. Such tax increases are counterproductive in a bill designed to promote economic growth and create jobs. In particular, we are concerned about provisions that would restrict or penalize corporate inversions and deduction of interest on inter-company debt, and expand disclosures and penalties for certain types of tax shelters.

Finally, the Chamber believes that "transition rules" are critically important to cushion the tax impact from repealing FSC-ETI. We encourage Congress to provide adequate time for companies to adapt to these significant tax code changes.

The Chamber urges passage of this bill out of the Committee on Ways and Means and looks forward to continuing to support the bill.

Sincerely,



R. Bruce Josten